

THE CITY OF SAN DIEGO, CALIFORNIA  
MINUTES FOR THE ADJOURNED REGULAR COUNCIL MEETING  
OF  
TUESDAY, MARCH 30, 1999 HELD  
WEDNESDAY, MARCH 31, 1999  
AT 12:00 P.M.  
IN THE COUNCIL CHAMBERS - 12TH FLOOR

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**CHRONOLOGY OF THE MEETING:**

The meeting was reconvened by Mayor Golding at 12:22 p.m. with all members present. Mayor Golding announced this meeting was the continuation of the Regular City Council Meeting of March 30, 1999 and that Council was going to continue the discussion of the Ballpark and the Redevelopment Project. Mayor Golding expressed their job today was to decide whether or not the Council and the City had received sufficient assurances, and requested Deputy City Manager Bruce Herring and Assistant City Attorney Les Girard give a status report in the form of a power point presentation regarding what the Memorandum of Understanding called for. Mayor Golding announced that recent documents regarding the Redevelopment Project and the Ballpark had been made available on a staggered basis as they were completed; and that anyone feeling they were missing documents to let her know before the presentation began.

Mayor Golding recessed the regular meeting at 1:34 p.m. to convene the Redevelopment Agency. Mayor Golding reconvened the regular meeting at 1:37 p.m. with all Council Members present. Mayor Golding adjourned the meeting at 1:40 p.m.

**ATTENDANCE DURING THE MEETING:**

- (M) Mayor Golding-present
- (1) Council Member Mathis-present
- (2) Council Member Wear-present
- (3) Council Member Kehoe-present
- (4) Council Member Stevens-present
- (5) Council Member Warden-present
- (6) Council Member Stallings-present
- (7) Council Member McCarty-present
- (8) Council Member Vargas-present

Clerk-Fishkin (pr)

FILE LOCATION: MINUTES

ITEM-300: ROLL CALL

Clerk Fishkin called the roll:

- (M) Mayor Golding-present
- (1) Council Member Mathis-present
- (2) Council Member Wear-present
- (3) Council Member Kehoe-present
- (4) Council Member Stevens-present
- (5) Council Member Warden-present
- (6) Council Member Stallings-present
- (7) Council Member McCarty-present
- (8) Council Member Vargas-present

ITEM-330: Downtown Ballpark and Redevelopment Project.

**TODAY'S ACTION IS:**

Adoption of the following Resolution:

(R-99-1049) ADOPTED AS RESOLUTION R-291450

In the matter of proceeding with the Downtown Ballpark and Redevelopment Project, and implementing the voter approved Memorandum of Understanding concerning that project, including the requirement of sufficient assurances regarding private development; the feasibility of land acquisition, environmental approvals, parking facilities and infrastructure; additional interim funding; an extension of the use and occupancy of Qualcomm Stadium; and additional investment commitments.

FILE LOCATION: MEET (64)

COUNCIL ACTION: (Tape location: A008-B326.)

MOTION BY WEAR TO ADOPT THE RESOLUTION BASED UPON INFORMATION AVAILABLE AS OF MARCH 30, 1999, AND UPON THE TESTIMONY AND DOCUMENTARY EVIDENCE PRESENTED TO THE CITY COUNCIL, THE RULES COMMITTEE OF THE CITY COUNCIL, AND THE BOARD OF DIRECTORS OF CCDC; THE RECOMMENDATION OF THE BOARD

OF CCDC; THE COMMUNICATIONS RECEIVED FROM THE PADRES AND PORT DISTRICT; AND ALL FACTS AND CIRCUMSTANCES MADE KNOWN TO THE COUNCIL BY TODAY INCLUDING THE FOLLOWING MATTERS:

1. CONFIRMING THE FEASIBILITY, AS OF MARCH 31, 1999, OF COMPLETING LAND ACQUISITION, ENVIRONMENTAL APPROVALS, PARKING FACILITIES AND INFRASTRUCTURE WITHIN THE CAP SET FORTH IN THE MOU, AND FINDING THAT THE PADRES HAVE PROVIDED SIMILAR WRITTEN CONFIRMATION.
2. FINDING THAT THE PORT DISTRICT HAS COMMITTED TO INVEST \$21 MILLION FOR LAND ACQUISITION, PARKING FACILITIES, AND INFRASTRUCTURE WITHIN THE BALLPARK AND REDEVELOPMENT PROJECT BUT WHICH WILL BENEFIT PORT DISTRICT PROPERTY AND FACILITIES; ACKNOWLEDGING THAT THE PORT DISTRICT'S INVESTMENT SATISFIES THE MOU CONDITION FOR ADDITIONAL FUNDING COMMITMENTS; AND AUTHORIZING THE CITY MANAGER TO ENTER INTO AN APPROPRIATE AGREEMENT WITH THE PORT DISTRICT BASED UPON THE TERMS OF THE RESOLUTION ADOPTED BY THE PORT DISTRICT.
3. ACCEPTING THE FIRST PRIORITY LIEN ON THE PADRES' FRANCHISE AS SET FORTH IN THE MOU, ON THE TERMS AND CONDITIONS CONTAINED IN THE SECURITY AGREEMENT PRESENTED TODAY, ON THE CONDITION THAT ALL APPROVALS REQUIRED BY MAJOR LEAGUE BASEBALL OR THE NATIONAL LEAGUE OF BASEBALL CLUBS ARE SECURED NO LATER THAN APRIL 5, 1999.
4. FINDING THAT, AS OF MARCH 31, 1999, SUFFICIENT ASSURANCES HAS BEEN RECEIVED FROM THE SAN DIEGO PADRES AND ITS DEVELOPMENT TEAM REGARDING THE PRIVATE DEVELOPMENT ASSOCIATED WITH THE BALLPARK AND REDEVELOPMENT PROJECT, BUT NOT INCLUDING THE CONVENTION CENTER EXPANSION HOTEL, ARE SUFFICIENT.
5. FINDING THAT THE PADRES HAVE MADE A WRITTEN COMMITMENT TO CONSTRUCT PRIVATE DEVELOPMENT THAT IS DESIGNED TO PRODUCE AN ASSESSED VALUE OF AT LEAST \$289 MILLION, WHICH AMOUNT HAS BEEN CONFIRMED BY CCDC AS SUFFICIENT TO FINANCE THE REDEVELOPMENT AGENCY INVESTMENT IN THE PROJECT.
6. FINDING THAT THE PADRES HAVE MADE A WRITTEN COMMITMENT TO CONSTRUCT A 500 ROOM BALLPARK HOTEL, 200 ROOM SUITE TYPE HOTEL, AND A 150 ROOM BOUTIQUE HOTEL, ALL WITHIN THE BALLPARK DISTRICT

AND CONSISTENT WITH THE PROGRAM SET FORTH IN THE MOU, AND FINDING THAT THIS PROGRAM IS DESIGNED TO HAVE THE ABILITY TO GENERATE ANNUALIZED TOT REVENUE SUFFICIENT TO HELP SUPPORT THE CITY INVESTMENT IN THE PROJECT.

7. ACKNOWLEDGING THAT THE CITY AND PADRES HAVE REACHED WRITTEN AGREEMENT ON THE CURRENT INTERIM FUNDING NEED THROUGH THE TIME THAT THE CITY EXPECTS TO OBTAIN ITS PERMANENT FINANCING, CURRENTLY ANTICIPATED (BASED UPON THE CURRENT SCHEDULE FOR CONSIDERATION OF THE EIR) IN JANUARY OF 2000, AND REACHED WRITTEN AGREEMENT ON THE PLAN TO PAY FOR THOSE INTERIM NEEDS, AND ON THE ESTIMATED SCHEDULE OF CASH DISBURSEMENTS.

8. FINDING THAT THE PADRES HAVE PROVIDED A WRITTEN COMMITMENT TO FUND OR OBTAIN FINANCING FOR ALL OR PART OF THE PADRES/PRIVATE INVESTMENT AS CALLED FOR IN THE MOU.

9. FINDING THAT SUFFICIENT ASSURANCES EXIST AS OF MARCH 31, 1999, THAT A 1,000 ROOM CONVENTION CENTER EXPANSION HOTEL WILL PROCEED AND HAS THE POTENTIAL TO GENERATE THE REQUIRED NEW PUBLIC REVENUE TO HELP FINANCE THE CITY AND AGENCY INVESTMENTS IN THE BALLPARK AND REDEVELOPMENT PROJECT, BASED ON ALL CIRCUMSTANCES KNOWN AS OF MARCH 31, 1999, ABOUT THE NEED FOR AN EXPANSION HOTEL; UPON THE COMMITMENT OF JOHN MOORES, EXPRESSED IN HIS LETTERS TO THE PORT DISTRICT AND CITY, TO HAVE JMI REALTY CAUSE THE DEVELOPMENT OF AN EXPANSION HOTEL; AND UPON THE TERM SHEET REGARDING AN EXPANSION HOTEL AGREED UPON BY THE PORT DISTRICT, CITY AND JMI REALTY.

10. DIRECTING THE CITY MANAGER TO ACKNOWLEDGE IN WRITING ON BEHALF OF THE CITY OF SAN DIEGO THAT NO PARTY TO THE MOU IS IN DEFAULT OF ANY PROVISION OF THE MOU AS OF APRIL 1, 1999, OR WAIVING ANY DEFAULT THAT MAY EXIST AS OF THAT TIME, AND FINDING THAT THE PADRES HAVE PROVIDED SIMILAR WRITTEN ACKNOWLEDGMENT.

11. AUTHORIZING THE EXPENDITURE OF AN AMOUNT NOT TO EXCEED \$11.5 MILLION IN ADDITIONAL INTERIM FUNDING FOR ELIGIBLE PROJECT RELATED EXPENSES, PROVIDED THAT THE CITY AUDITOR RESERVE SUFFICIENT FUNDS FROM THIS AMOUNT TO PAY FOR CITY EXPENSES SET FORTH IN THE AGREED UPON INTERIM FUNDING PLAN OR ESTIMATED

SCHEDULE OF CASH DISBURSEMENTS; AND AUTHORIZING THE CITY AUDITOR AND COMPTROLLER TO TRANSFER MONIES IN THE AMOUNT OF \$11.5 MILLION FROM AVAILABLE FUNDS AS DETERMINED BY THE CITY AUDITOR TO FUND 10290, BALLPARK CONSTRUCTION FUND, FOR THAT PURPOSE.

12. AUTHORIZING THE CITY MANAGER TO ENTER INTO OTHER NECESSARY AGREEMENTS TO IMPLEMENT THE ACTIONS OF THE COUNCIL TODAY PROVIDED THAT SUCH AGREEMENTS ARE OTHERWISE CONSISTENT WITH THE MOU AND DO NOT COMMIT THE CITY TO ANY EXPENDITURE OF FUNDS IN EXCESS OF THAT AUTHORIZED TODAY.

13. ACKNOWLEDGING THAT THE ACTIONS OR AGREEMENTS OF THE PARTIES ON OR BEFORE APRIL 1, 1999, DO NOT IN ANY WAY ALTER, AMEND, WAIVE OR OTHERWISE AFFECT THE CONDITIONS SUBSEQUENT SET FORTH IN SECTION 33 OF THE MOU. IN PARTICULAR, REAFFIRMING AND RESERVING TO THE CITY THE RIGHT TO DETERMINE THAT THE TERMS OF ANY CITY OR AGENCY FINANCING, WHETHER INTERIM OR PERMANENT, MUST BE REASONABLY ACCEPTABLE TO THE CITY, WHICH TERMS INCLUDE, BUT ARE NOT LIMITED TO, THE SOURCES OF REVENUE TO PAY FOR THE FINANCING; THE STATUS OF PHASE 1, ANY SUBSTITUTE ANCILLARY DEVELOPMENT AND THE EXPANSION HOTEL; AND ANY OTHER MATTER WHICH MAY AFFECT THE CITY'S FINANCING NOT ONLY OF THE BALLPARK AND REDEVELOPMENT PROJECT, BUT OF ANY OTHER CURRENT OR FUTURE CITY PROJECT.

TO BE INCLUDED IN THE MOTION AS REQUESTED BY THE MAKER, AND STATED BY MAYOR GOLDING AS FOLLOWS: "THE HOTELS THAT ARE OUTLINED IN MR. WEAR'S MOTION ARE THOSE THAT HAVE BEEN AGREED UPON. WE HAVE ALSO AGREED AS IS PRUDENT THAT SHOULD THERE BE SOME OTHER PREFERABLE HOTEL MIX, AS THE MARKET CONDITIONS DICTATE, AND THAT IS MUTUALLY ACCEPTABLE TO BOTH THE CITY AND THE PADRES, THE CITY HAS THE OPTION OF PURSUING THAT MIX."

Second by Stallings. Passed by the following vote: Mathis-yea, Wear-yea, Kehoe-yea, Stevens-yea, Warden-yea, Stallings-yea, McCarty-yea, Vargas-yea, Mayor Golding-yea.

**NON-DOCKET ITEMS:**

None.

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for the Adjourned Regular Meeting held Wednesday, March 31, 1999**

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**ADJOURNMENT:**

The meeting was adjourned by Mayor Golding at 1:40 p.m. in honor of the memory of Cecile Salomon, as requested by Mayor Golding, and Council Member Kehoe.

FILE LOCATION:                      AGENDA

COUNCIL ACTION:                      (Tape location: B346.)